

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

COW CREEK GAS, INC.)	
)	
_____)	CASE NO. 99-356
)	
ALLEGED VIOLATIONS OF)	
ADMINISTRATIVE REGULATION)	
807 KAR 5:022)	

O R D E R

Cow Creek Gas, Inc. ("Cow Creek") is a gas distribution system operating in Floyd County, Kentucky serving approximately 33 customers.

Cow Creek is subject to the jurisdiction of the Commission, pursuant to KRS 278.010 and 278.040. Cow Creek is also subject to Commission jurisdiction under the authority of and in compliance with federal pipeline safety laws, 49 U.S.C. § 60101, *et seq.*, and the regulations of 49 CFR 189-199 pursuant to KRS 278.990 and 278.992.

Pursuant to these statutes and 49 CFR 189-199, the Commission promulgated Administrative Regulation 807 KAR 5:022. Commission Staff has submitted to the Commission a Comprehensive Inspection Report, dated July 29, 1999, in which Commission Staff alleges the following violations:

1. Conducted no odorant checks during 1998. 807 KAR 5:022, Section 13(17)(g), and 49 CFR 192.625(f). This is a repeat violation.
2. Kept no system leak survey records. 807 KAR 5:022, Section 14(13), and 49 CFR 192.723. This is a repeat violation.

3. Kept no valve inspection records for 1998. 807 KAR 5:022, Section 14(25), and 49 CFR 192.747. This is a repeat violation.

4. Failed to review relief valve capacities for 1998. 807 KAR 5:022, Section 14(23), and CFR 192.743. This is a repeat violation.

5. Failed to have a continuing education program to inform the public about recognizing a gas pipeline emergency. 807 KAR 5:022, Section 13(9)(d), and 49 CFR 192.616. This is a repeat violation.

6. Kept no records of annual maintenance on regulators and relief valves. 807 KAR 5:022, Section 14(21), and 49 CFR 192.739.

Based on its review of the Comprehensive Inspection Report, and being otherwise sufficiently advised, the Commission finds *prima facie* evidence that Cow Creek has failed to comply with Administrative Regulation 807 KAR 5:022.

The Commission, on its own motion, HEREBY ORDERS that:

1. Cow Creek shall appear before the Commission on September 28, 1999, at 9:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of presenting evidence concerning the alleged violations of Administrative Regulation 807 KAR 5:022, and of showing cause why it should not be subject to the penalties prescribed in KRS 278.990(1) and 278.992(1) for these alleged violations.

2. The Comprehensive Inspection Report, dated July 29, 1999, a copy of which is appended hereto, is made part of the record of this proceeding.

3. Within 20 days of the date of this Order, Cow Creek shall submit to the Commission a written response to the allegations contained in the Comprehensive Inspection Report.

4. Any motion requesting an informal conference with Commission Staff to consider matters which would aid in the handling or disposition of this proceeding shall be filed with the Commission no later than 20 days from the date of this Order.

Done at Frankfort, Kentucky, this 2nd day of September, 1999.

By the Commission

ATTEST:

Executive Director